



NOTICE OF PROPOSED RULE ADOPTION

STATE OF MISSISSIPPI MISSISSIPPI OIL AND GAS BOARD

Mississippi Oil & Gas Board
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Specific Legal Authority authorizing the promulgation of Rule 8 of the Statewide Rules and Regulations of the State Oil and Gas Board: Section 53-1-17 of the Mississippi Code of 1972

Reference to Rules repealed, amended or suspended by the Proposed Rule: Rule 8 of the Statewide Rules and Regulations of the Mississippi State Oil and Gas Board

Explanation of the Purpose of the Proposed Rule and the reason(s) for proposing the rule:

The Mississippi Oil and Gas Board proposes to amend Statewide Rule 8 by adding a sentence to Paragraph 5 of Statewide Rule 8 and by adding the following Paragraph 6 (**changes noted by bold print**):

5. If any well is completed as a gas well in the gas cap of a pool productive of oil, or if any well drilled as a gas well is productive from or completed in an oil pool, it shall not be produced except for a test period not exceeding forty-five (45) days, or in compliance with applicable special field rules, or until authorization has been granted by the Board after notice and hearing. **During the test period the well may not be produced in excess of its allowable unless permitted by the Board after notice and hearing.**
6. **The drilling unit that is established for a gas well under this rule or any other applicable Statewide Rule or Special Field Rule shall remain in existence and effect for the period of time set forth below, unless an earlier alteration (reformation) or termination of the unit occurs pursuant to an order of the Board:**
 - (a) **The unit shall automatically terminate if and when the drilling permit for the well terminates.**
 - (b) **The unit shall automatically terminate if and when the well is plugged or converted to a Class II well**
 - (c) **This rule shall not apply to any unit that is established under Miss. Code Ann Section 53-3-101 through -119.**
 - (d) **For good cause shown, the Board may alter, reform or dissolve units or grant exception(s) to the foregoing rules, after notice and hearing.**

The addition of Paragraph 6 to Statewide Rule 8 is to clarify when a unit for a gas well terminates.

A copy of the proposed amended Statewide Rule 8 is attached hereto (**changes noted by bold print**).